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SUBJECT: ACABQ SCRUTINIZES SYG'S PROPOSALS ON PEACEKEEPING FINANCING

¶1. Summary: The Advisory Committee on Administrative and Budgetary Questions (ACABQ) concluded its three-month long winter session on April 13, 2006. While the Committee largely focused on the budgets and administrative matters of the UN's peacekeeping missions as well as the Support Account and the Brindisi Logistics Base (UNLB), the Committee also considered a number of other reports. Most notably, the Committee considered the SYG's report on management reform, the budget for the Special Political Missions (SPM) and the financial requirements related to the newly created Peacebuilding Commission (PBSO) and Human Rights Council (HRC). Debate on these additional items was highly contentious. Despite forceful arguments and reasoning put forward by the US member, there was a tendency amongst other members to simply recommend approval of the SYG's proposals, without any changes. For example, efforts to ensure that the PBSO was financed from within existing resources, as mandated by the General Assembly, were not supported nor were efforts to reduce expenditures in the budget for SPM's through better coordination and cooperation with other UN agencies and programs the field. As a result of the prolonged debate on these issues, the Committee was unable to complete its consideration of the SYG's proposed budgets for peacekeeping and will, therefore, resume on May 2. Fifth Committee action on the financing of the SPM's, PBSO and HRC and management reform will be reported septel. ACABQ's conclusions and recommendations on peacekeeping financing will be considered by the Fifth Committee at its May session.

¶2. During this session the ACABQ considered the budgets for UNDOF, UNIFIL, UNFICYP, UNMEE, UNMIK, UNOMIG, UNMIL, the support account and UNLB, the performance reports for UNAMSIL, UNMISSET and UNIKOM, and the report of the Board of Auditors. The Committee approved its reports on all, but for UNMIL, which will be considered in May. At the time of the adoption of the draft reports, the financial implications of the ACABQ's recommendations had not been costed. The reports, when formally issued, will provide this information.

At its resumed session the Committee will consider the budgets for UNOCI, UNMIS, ONUB, MINURSO, MONUC and MINUSTAH. The Committee largely concurred with the Secretary General's proposed peacekeeping mission budget submissions and the budget for UNLB with some minor refinements. While these budgets sailed through the Committee relatively unscathed, the support account budget did not (see paragraphs 7-11 below). The Committee agreed to defer decision on a number of posts proposed under the support account, which it found related to requirements to be considered in the follow-up reports on the 2005 World Summit Outcome and the report of the SYG entitled "Investing in the United Nations: for a stronger organization worldwide". A summary of the Committee's conclusions and recommendations follows. End summary.

¶3. The Secretary General's proposed budgetary requirements for 13 peacekeeping operations, the UN Logistics Base at Brindisi and the support account for peacekeeping operations

for the period July 1, 2006 to June 30, 2007 amounts to \$4.8 billion, compared with the total approved budget of \$5 billion for the period from July 1, 2005 to June 30, 2006. The decrease is primarily attributable to the closure/liquidation of UNAMSIL and UNMISSET, the continued downsizing of UNMIK and the projected downsizing of ONUB. In addition, reduction in the budgets for MINUSTAH and MONUC will contribute also to the overall decrease in the total level of the peacekeeping budget. The proposed reductions will be less than foreseen owing to proposed increases in the budget levels of UNMIS, UNOCI, UNFICYP, UNLB and the support account.

¶4. The proposed resources for all peacekeeping missions, UNLB and the support account for the 2006/07 period take into account a provision of 4% of common staff costs for international staff in connection with the proposed funding of the liabilities for after-service health insurance benefits (ASHI). The General Assembly is currently seized with the SYG's report on liabilities and proposed funding for ASHI (A/60/450) which proposed a number of measures that needed to be taken to fund and account for the accrued liabilities for ASHI benefits for all eligible UN staff members. Until the General Assembly takes a policy decision on this matter, the ACABQ recommends that measures proposed in the peacekeeping performance reports and budgets be held in abeyance.

¶5. As part of its commitment to the implementation of a comprehensive strategy on sexual exploitation and abuse, the SYG requests resources in the individual 2006/07 budgets for the establishment of Conduct and Discipline Units in the 13 peacekeeping missions. These field-based Units will work in consultation with a dedicated Conduct and Discipline Unit at headquarters to be financed from the support account. While the ACABQ supports the resource requests for these field

Units, it questions the need for the totality of resources requested at Headquarters (see paragraph 10 below).

¶6. A summary of specific peacekeeping mission-related recommendations follows:

--UNDOF: The SYG's proposed budget of \$39,975,000 reflects a \$1.5 million decrease from the current budget period. The ACABQ concurs with the request for one P-4 legal officer post.

--UNIFIL: The SYG's proposed budget of \$94,112,400 reflects a decrease of \$0.1 million from the current budget period. A number of staffing changes are proposed. The ACABQ concurs with the requests for the redeployment of posts as well as the proposed abolishment of 6 field service posts and the downward reclassification of one post. It does not agree with the request for the establishment of one new P-3 information analyst post in the Joint Mission Analysis Cell. While the ACABQ welcomes the establishment of the JMAC, it recommends that the post be accommodated through redeployment, in view of the historically high vacancy rate (average of 14% vacancy rate over the past three years).

--UNFICYP: The SYG's proposed budget of \$44,954,300 reflects an increase of \$0.8 million. The ACABQ concurs with the proposal of the SYG. At the US member's urging, the ACABQ recommends that UNFICYP provide support to the Special Adviser of the SYG on Cyprus and that any savings realized under the office of the Special Adviser as a result of the support provided by UNFICYP be reflected in the performance report.

--UNMEE: The SYG's proposed budget of \$175,266,900 reflects a decrease of \$1.4 million from the current budget period. The ACABQ recommends acceptance of the SYG's proposed budget on the understanding that should future Security Council action modify the scope of UNMEE's operation foreseen in this budget submission revised estimates would be submitted.

--UNMIK: The SYG's proposed budget of \$219,207,400 reflects

a decrease of \$20.7 million. This reduction is attributed to an overall downsizing of the mission. A majority of the executive functions performed under the civil administration pillar (United Nations) has been transferred to the Provisional Institutions of Self-Government and it is proposed that the pillar be reconfigured into a smaller Department of Civil Administration which would monitor the central and local Kosovo Government bodies. Similarly, under rule of law, the mission will focus on monitoring and intervention functions following the transfer of substantial competencies to the Kosovo Government and judiciary. The mission reported that in view of the shifts in responsibilities, the civilian staffing level of component 1, substantive civilian, be reduced from 696 to 471 posts and the civilian staffing level of component 2, rule of law, be reduced from 1,544 to 1,280. The number of UN police officers will be reduced from 2,938 to 2,078, including 398 in special police units. The number of support staff under component 3, support, will be reduced from 1,307 to 1,096. The ACABQ concurs with the proposed downsizing and shift in posts in the mission as proposed by the SYG. A somewhat heated but brief exchange was held with the DSRSG on the OIOS report on fraud and corruption allegations at Pristina Airport. The DSRSG, supported by OLA, stated that the investigation was outside of OIOS jurisdiction to report to the GA on the results of the ITF investigation (ITF was established by OIOS, OLAF and UNMIK to identify fraud and corruption in UNMIK, in all publicly owned enterprises in Kosovo and those institutions funded from the Kosovo Consolidated Budget). The DSRSG refused to address specific accusations, while vigorously arguing the virtues of the personnel accused of the wrongdoings.

--UNOMIG: The SYG's proposed budget of \$33,682,500 reflects a decrease of \$0.9 million. The ACABQ recommends that the requested new post of webmaster/public information office assistant be accommodated through the redeployment of an existing post; it recommends against requested increases in office supplies and maintenance services.

¶7. With respect to the peacekeeping support account budget (backstopping support for the missions at Headquarters), the Secretary General proposed a budget of \$190 million for the

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12-month period from July 1, 2006 to June 30, 2007, with a total of 973 temporary posts. The amount proposed, in gross terms, represents an increase of \$43 million or 29% over the total amount approved for the period from July 1, 2005 to June 30, 2006 of \$147 million. The increase is due to the requirements for 142 new posts (\$18.2 million) and to an increase in non-post resources (\$24.4 million). The Committee was informed that, if budgeted at full cost (or full encumbrance), the total resources requirements for the

support account would amount to \$198 million. With respect to non-post requirements, it includes an increase in information technology and the transfer of all travel costs of Headquarters staff to the peacekeeping missions to the support account. This travel provision was previously charged to the receiving mission's budget.

¶8. The Committee's discussion largely focused on the proposed increase in staffing requirements and related costs. There was a clear divergence of views in the Committee regarding the various post requests. For example, the African members, supported by other G-77 members, rallied around the call for new posts to support AU peacekeeping efforts, despite the Secretariat's confirmation that a comprehensive strategy had

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yet to be developed. Similarly, many were not convinced of the need for further strengthening of DPKO's logistic capacity but were sympathetic to bolstering DM's capacity in its support for peacekeeping. As was evident during the Committee's review of the SYG's proposed budget for the biennium 2006/07, most members simply politically aligned themselves in support of certain posts rather than

undertaking an objective technical review of the post requests. The US member along with Japan, Canada and the Netherlands consistently took a more analytical approach in supporting requests for new posts.

¶9. A summary of the net increase of 142 posts proposed is as follows:

-- A net increase of 79 post in Department of Peacekeeping (DPKO) (reflecting the proposal for 84 additional posts along with the transfer of 5 posts from DPKO to the UN Logistics Base in Brindisi (UNLB);

--38 new posts in Department of Management (DM);

--A net increase of 20 posts in Office of Internal Oversight Services (OIOS) (reflecting the proposal for 19 new posts, the proposed transfer of 5 resident auditor posts to the support account from UNMIS, and the abolition of 4 resident auditor posts in UNAMSIL);

--4 new posts in Office of Legal Affairs (OLA); and

--1 new post in Department of Safety and Security (DSS).

¶10. The following sets out proposed main changes by Department:

--Department of Peacekeeping--

In addition to supporting 15 active peacekeeping operations, DPKO provides backstopping for four special political missions or offices for which it has the substantive lead (UNAMA, UNAMI, UNOTIL and UNIOSIL), as well as full range of administrative and logistical support services to 12 special political or peacebuilding missions managed by the Department of Political Affairs. The number of posts proposed for 2006/07 is 647 (422 professional and 225 general service posts), reflecting a net increase of 79 posts compared to the level approved for 2005/06.

--An Integrated Training Service (ITS) of DPKO is proposed to be established through the transfer of 27 posts from the Military Division (20 posts) and the Office of Mission Support (7 posts) to be supplemented by the establishment of 8 new posts. Twenty-five posts will be allocated to Headquarters and 10 to the training delivery cell in UNLB. The proposal is made in response to requests made by the ACABQ and the GA for transparency and coordination in all aspects of training. The ITS will be responsible for coordination of all department substantive and technical training. The ACABQ recommends approval of the transfer of the 27 posts. However, it is not convinced of the request for an additional D-1 for a Chief of Service and two general service posts in view of the current staff resources in that office.

--Eight new posts are proposed to be established in the Peacekeeping Best Practices Section (PBPS). The Committee recommends acceptance of the P-5 post for the Chief of the Disarmament, Demobilization and Reintegration Unit, of 1 P-3 level post and a general service post for this Unit. It also recommends acceptance of a P-3 post for a Coordination Officer for civil affairs and a P-3 post for a Gender Officer. A P-3 Information Officer post is requested in both the PBPS and the Change Management Office. Given the functional link between the two offices, the Committee recommends the allocation of an additional P-3 post to be placed by the SYG in either unit, as he deems appropriate.

--Thirteen new posts are proposed to be established in the Office of Operations: 12 additional posts to support the

African peacekeeping capacity (2 P-5, 5 P-4, 2 P-3 and 3 general service) and one P-5 level post for Senior Political Affairs Officer to support MINUSTAH. The additional posts to support African peacekeeping capacities are proposed pursuant to the commitment contained in GA resolution 60/1, reiterated

in SC resolution 1631. DPKO proposes to establish two integrated multi-disciplinary teams--a 4-person team in New York and an 8-person team in Addis Ababa. US member supported by Japan, Canada and the Netherlands argued against the establishment of these offices until a comprehensive program of support for African peacekeeping capacity-building was developed, taking into account contributions to be provided by the UN system and other external partners. The majority of the members did not agree with this approach. After much debate, the Committee reached agreement on recommending the establishment of 5 professional posts and 2 general service posts to support African peacekeeping capacity. With respect to the P-5 level post for Senior Political Affairs Officer to head the MINUSTAH team, the Committee recommends that the function be provided through redeployment.

--A total of 30 new posts are proposed for the Office of Mission Support: 20 posts for the Administrative Support Division (1 D-1, 3 P-5, 5 P-4, 3 P-3, 1 P-2 and 7 general service), including 9 new posts for the Headquarters Conduct and Discipline Unit (1 D-1, 1 P-5, 4 P-4, 1 P2 and 2 general service); and 10 new posts for the Logistics Support Division (1 D-1, 4 P-4, 5 P-3). As mentioned above, 7 posts are transferred from this Division to ITS, thus resulting in a net increase of 23 posts. With respect to the Conduct and Discipline Unit, the Committee recommends acceptance of: the D-1 level post for the Chief of the Unit, 2 (out of the four) P-4 posts for Disciplinary Officers, the P-2 post for the Reporting Officer and one (out of two) general service posts proposed. With regard to the Disciplinary Officers, should the eventual workload require it, general temporary assistance may be used, in place of the third P-4 Disciplinary Officer requested. The US member argued for the full contingency of staff but believes that the recommendation of the ACABQ will adequately meet the demands of this Unit. Consistent with the Committee's view that consultants be used only when in-house expertise is not available and in assessing the type of work proposed to be done by the consultants, the Committee recommends a reduction of \$985,000 in resources proposed for consultants in OMS.

--The Civilian Police Division is proposed to be strengthened with 27 additional support account posts related to the creation of the Standing Police Capacity. The Committee supports the creation of this capacity.

--Department of Management--

--A total of 38 new posts are proposed in DM. With regards to many of these posts, the Committee is recommending that consideration be deferred pending receipt of follow-up reports related to the SYG's management reform initiatives that ACABQ has recommended in its report A/60/735. In addition, the Committee recommends deferring consideration of posts in OPPBA that are currently under a long-outstanding management review that, hopefully, will soon be concluded.

--Office of Internal Oversight Services--

--The posts financed through the support account are proposed to increase from 92 in the 2005/06 budget to 112 for 2006/07. The ACABQ recommends deferring action on the post and non-post resources proposed under the support account, pending GA consideration of the ongoing evaluation of governance and oversight, which includes a detailed review of OIOS as well as the previously requested analysis of the role, functions and requirements of the investigator program.

While the US member was prepared to favorably consider the request for additional posts, the filling of the 17 currently vacant posts should enable OIOS to carry-out its mandated activities.

--Office of Legal Affairs--

A total of four additional posts are requested for lawyers to work on complex procurement related matters to supplement the 5 posts currently funded from the support account. The

Committee recommends deferring action on this proposal pending review of the follow-up reports on the SYG's management reform initiatives as recommended by the Committee in its report A/60/735.

--Department of Safety and Security--

The Committee recommends that the functions of the proposed P-4 Security Coordination Officer be provided through redeployment.

¶11. To sum up, the Committee is recommending approval of a total of 55 posts, recommending against approval of 45 posts and that action on 42 be deferred, pending receipt of various reports. The recommendations of the Committee involve reductions to the support account budget totaling \$31,663,500.

¶12. Turning to the Logistics Base in Brindisi, the estimated requirements of \$35,621,200 are proposed for the maintenance of the Base for the period July 1, 2006 to June 30, 2007. The proposed budget represents an increase of \$4,108,100 in relation to the apportionment for the period from July 1, 2005 to June 30, 2006. A total of 14 additional posts are proposed at the Base. These include the establishment of 10 posts for establishing a Training Delivery Cell at the Base, a national general service post for Occupational Safety and Security Assistant, one full-time nurse at the national level and two P-3 posts of Aviation Safety Officers. The request for the 2 posts of Aviation Safety Officers is proposed in connection with the establishment of UNLB regional aviation safety office which would service, in addition to the Base itself, UNMIK and UNOMIG. This proposal stems from an OIOS recommendation to establish regional safety offices in strategic locations worldwide rather than employing aviation safety officers in individual missions. In conjunction with the proposed establishment of UNLB regional aviation safety office, three posts will be abolished at UNMIK and UNOMIG. The Committee agrees with the proposed staffing changes at UNLB and recommends acceptance of the estimated budget requirement of \$35,621,200.

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